

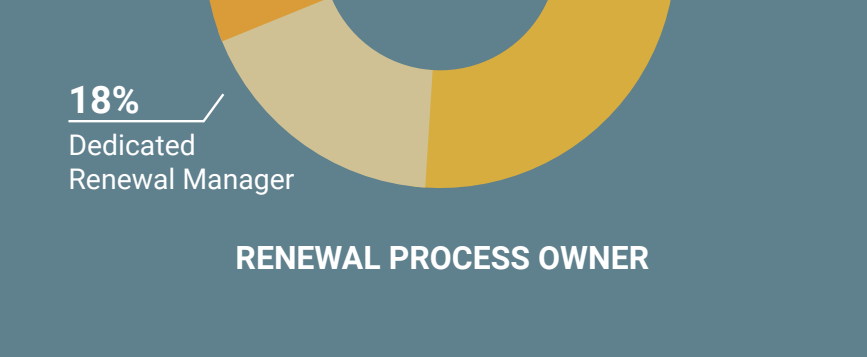


MARKET TRENDS RENEWAL MANAGEMENT

This infographic is based on a Global Market Research conducted by CSM Practice in March 2022

51%

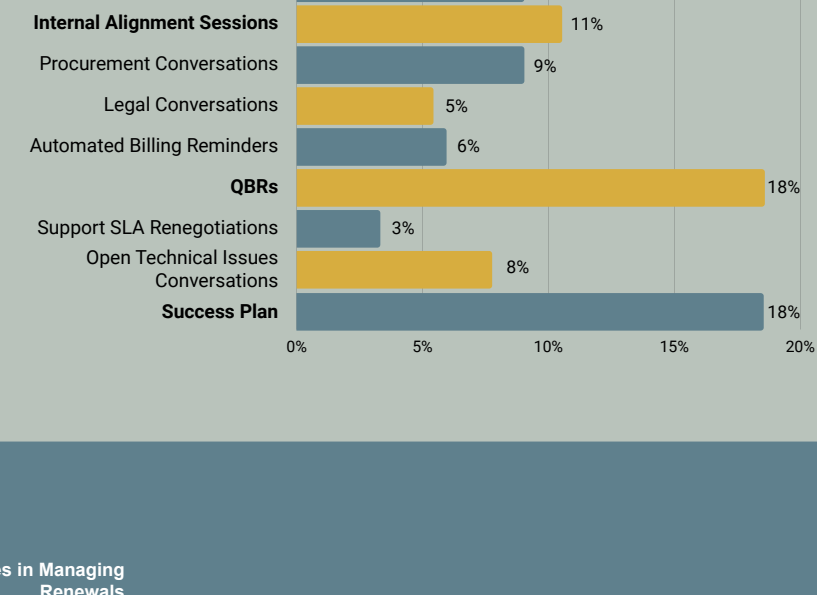
of CSMs own the renewal process



RENEWAL PROCESS OWNER

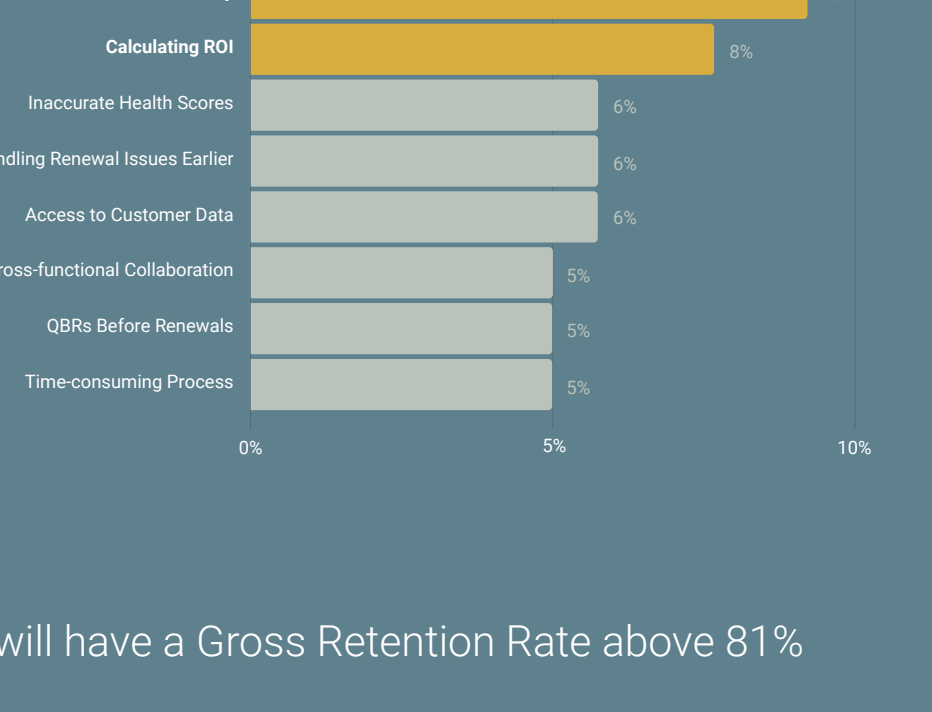
5 MOST COMMON RENEWAL PROCESS STEPS

- The most common steps included in the renewal process are:
- 1 QBRs
 - 2 Success Plans
 - 3 Customer Goal-based Call
 - 4 Internal Alignment Sessions
 - 5 Customer Commercial Calls

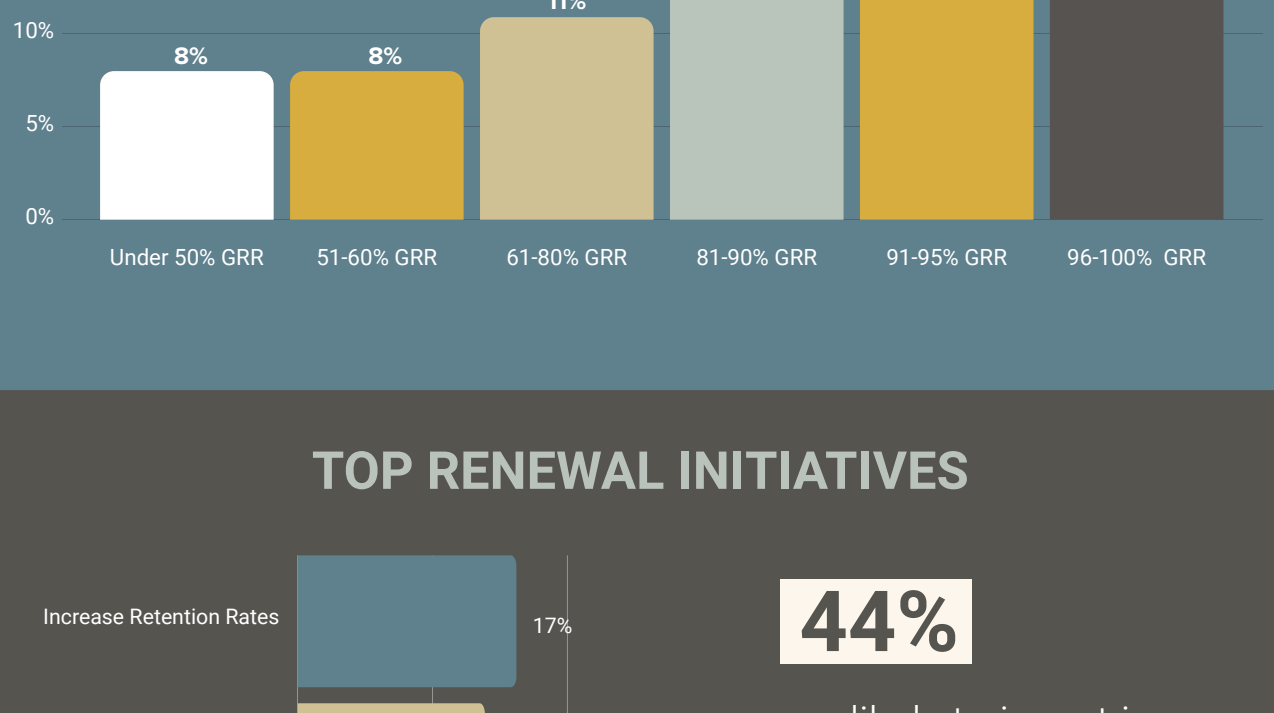


40%

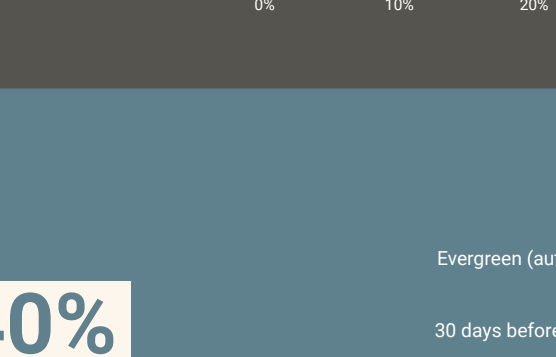
view visibility to customer risk and renewal forecast capabilities as top challenges in managing renewals



Most organizations will have a Gross Retention Rate above 81%



TOP RENEWAL INITIATIVES

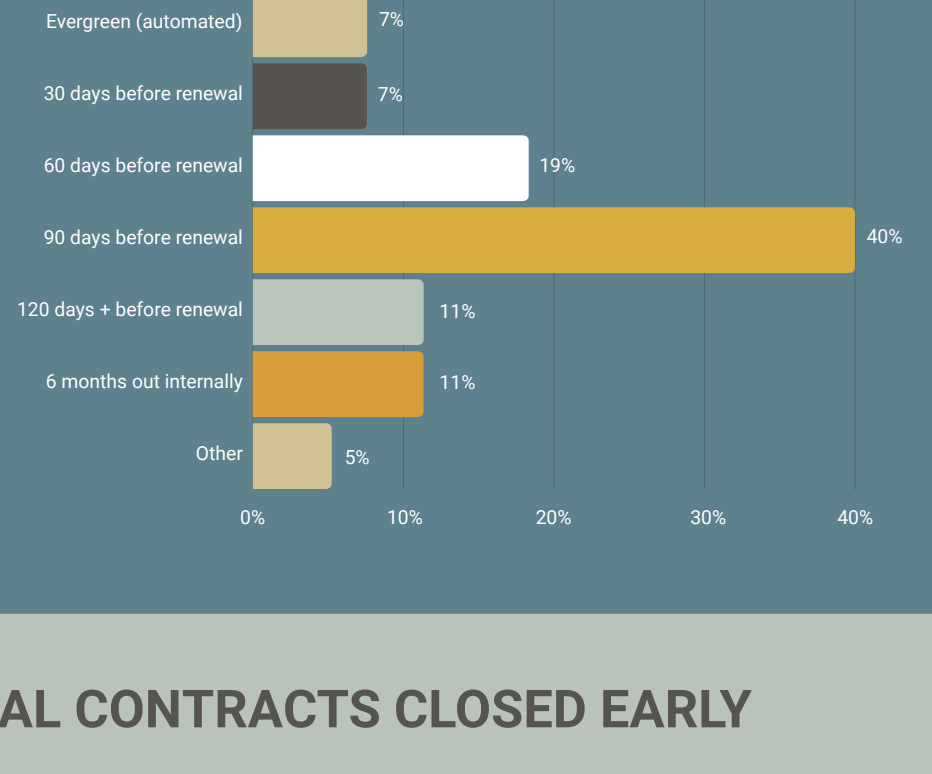


44%

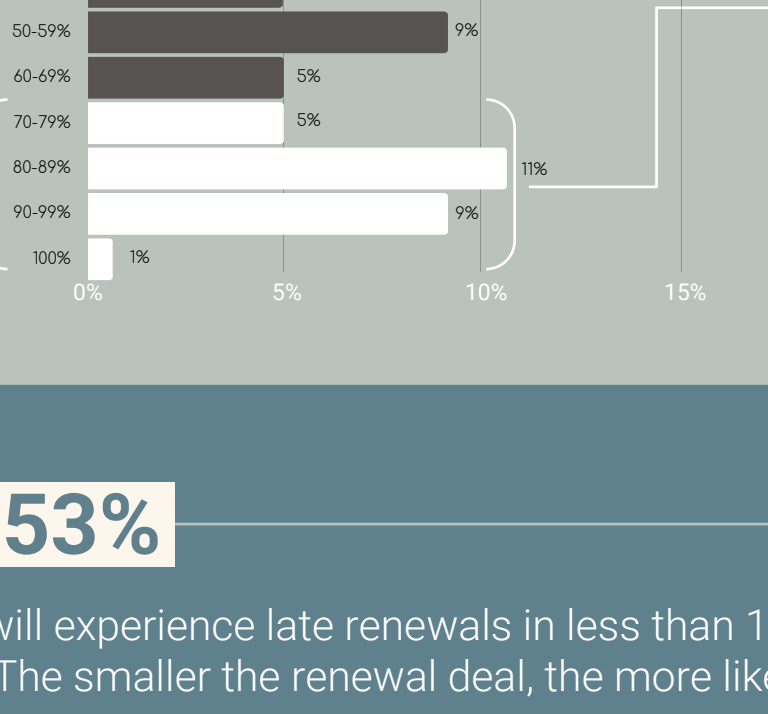
are likely to invest in improving their retention rates, upsell revenues and renewal forecast capabilities

40%

begin the renewal process 90 days before the renewal date



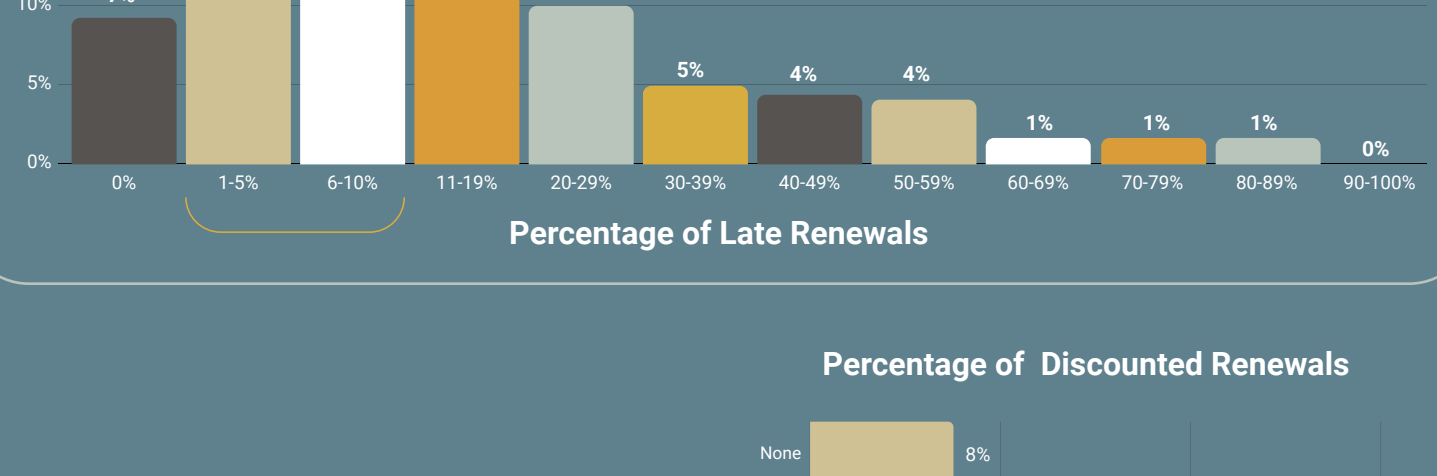
% OF RENEWAL CONTRACTS CLOSED EARLY



Companies who begin the renewal process **120 days** out or more, close over **70%** of their renewal contracts early

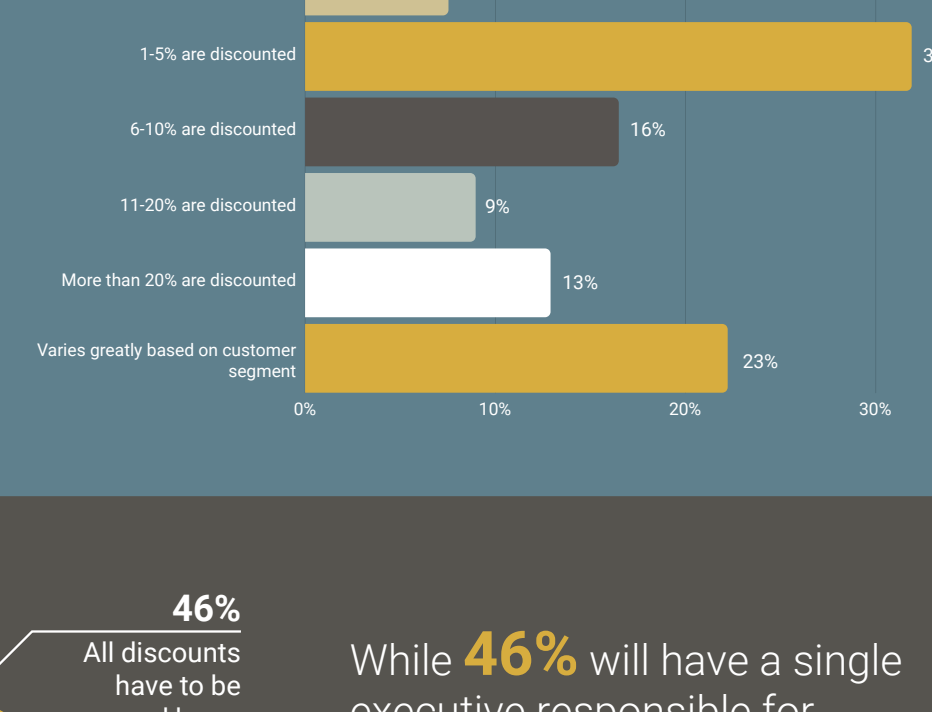
53%

will experience late renewals in less than 10 percent of their accounts. The smaller the renewal deal, the more likely the renewal will close late.



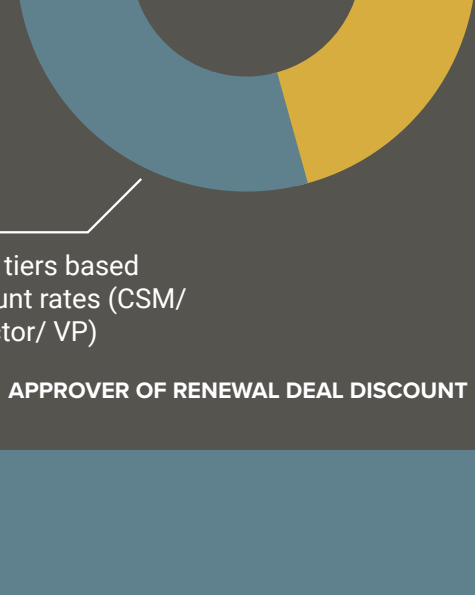
32%

of companies offer a 1 to 5 percent discount rate on their renewal deals



10%

Not applicable - We don't allow discounts on approvals



46%

All discounts have to be approved by an executive

While **46%** will have a single executive responsible for approving discounts on renewal deals, **44%** will exercise a tier-based approval hierarchy based on the discount rate offered to the client.

When working with government agencies, 88% of software companies tend to have an executive approve all discounts.

Overall, the **average discount** on renewal deals primarily falls between **1** and **10%** of the expected renewal amount.



Companies who mainly work with Small and Medium Businesses (SMB) are likely to approve a **6-10% discount rate** on renewals, whereas companies who mainly work with enterprise clients are likely to approve a discount rate of **5%** or less.

Renewal Discounts provided to Enterprise Customers

